

SEP 21 '06

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SURFACE TRANSPORTATION BOARD

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ELIAS C. ALVORD (1942)
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OF COUNSEL
URBAN A. LESTER

September 21, 2006

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease of Railroad Equipment, dated as of August 15, 2006, a primary document as defined in the Board's Rules for the Recordation of Documents.

The names and addresses of the parties to the enclosed document are:

Lessee: Grand Trunk Western Railroad Incorporated
935 de la Gauchetiere Street West
Montreal, Quebec
Canada H3B 2M9

Lessor: SunTrust Leasing Corporation
25 S. Charles Street
Towson, MD 21202

Mr. Vernon A. Williams
September 21, 2006
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A description of the railroad equipment covered by the enclosed document is:

200 railcars: GTW 187400 – GTW 187599.

A short summary of the document to appear in the index is:

Memorandum of Lease of Railroad Equipment.

Also enclosed is a check in the amount of \$34.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in cursive script, reading "Edward M. Luria".

Edward M. Luria

RWA/sem
Enclosures

SEP 21 '06 12:18 PM

(SUN / GTW No. 1)

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF LEASE OF RAILROAD EQUIPMENT NO. 1 dated as of August 15, 2006, between **Grand Trunk Western Railroad Incorporated**, a Delaware corporation (hereinafter called the "Lessee"), and **SunTrust Leasing Corporation**, a Virginia corporation (hereinafter called the "Owner").

WHEREAS, the Owner and the Lessee have entered into that certain Lease of Railroad Equipment No. 1 dated as of August 15, 2006 (hereinafter called the "Lease"), covering the two-hundred (200) 48' 115-ton steel coil cars built by National Steel Car Limited in 2006 and bearing the road numbers **GTW 187400 through GTW 187599** inclusive, and all additions and alterations thereto, replacements thereof and substitutions therefor (collectively, the "Cars");


NOW, THEREFORE, the parties hereto wish to show for the public record the leasing of the Cars from the Owner to the Lessee, the ownership of the Cars by the Owner, the leasehold interest therein of the Lessee, the rights of the Lessee from time to time to purchase the Cars or to renew the Lease and, accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

The terms and conditions of the Lease are incorporated herein by reference.

This Memorandum may be executed in any number of counterparts and by the different parties hereto on separate counterparts, all of which together shall constitute a single agreement.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.

Grand Trunk Western Railroad Incorporated,
as lessee

By:  _____

Name: John A.N. Lamont

Title: Sr. Manager Asset Finance

SunTrust Leasing Corporation,
as lessor

By: _____

Name: Mike Powers

Title: Secretary

STATE OF MARYLAND)
) ss.:
CITY OF TOWSON)

On this _____ day of September, 2006, before me personally appeared Mike Powers, to me personally known, who, by me being duly sworn, says that he is Secretary of SunTrust Leasing Corporation, that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Notary Public

My commission expires

PROVINCE OF QUEBEC)
) ss.:
DISTRICT OF MONTREAL)

On this 13th day of September, 2006, before me personally appeared John A.N. Lamont, to me personally known, who, by me being duly sworn, says that he is Sr. Manager, Asset Finance of Grand Trunk Western Railroad Incorporated that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act of said corporation.



Attorney

Bar Number: 188726-2

(SUN / GTW No. 1)

MEMORANDUM OF LEASE OF RAILROAD EQUIPMENT NO. 1 dated as of August 15, 2006, between **Grand Trunk Western Railroad Incorporated**, a Delaware corporation (hereinafter called the "**Lessee**"), and **SunTrust Leasing Corporation**, a Virginia corporation (hereinafter called the "**Owner**").

WHEREAS, the Owner and the Lessee have entered into that certain Lease of Railroad Equipment No. 1 dated as of August 15, 2006 (hereinafter called the "**Lease**"), covering the two-hundred (200) 48' 115-ton steel coil cars built by National Steel Car Limited in 2006 and bearing the road numbers **GTW 187400 through GTW 187599** inclusive, and all additions and alterations thereto, replacements thereof and substitutions therefor (collectively, the "**Cars**");

NOW, THEREFORE, the parties hereto wish to show for the public record the leasing of the Cars from the Owner to the Lessee, the ownership of the Cars by the Owner, the leasehold interest therein of the Lessee, the rights of the Lessee from time to time to purchase the Cars or to renew the Lease and, accordingly have caused this Memorandum to be executed by their officers thereunto duly authorized, as of the date first above written.

The terms and conditions of the Lease are incorporated herein by reference.

This Memorandum may be executed in any number of counterparts and by the different parties hereto on separate counterparts, all of which together shall constitute a single agreement.

IN WITNESS WHEREOF, each of the parties hereto, pursuant to due corporate authority, has caused this Memorandum to be duly executed in its corporate name by its officers, thereunto duly authorized, all as of the date first above written.

Grand Trunk Western Railroad Incorporated,
as lessee

By: _____
Name: John A.N. Lamont
Title: Sr. Manager Asset Finance

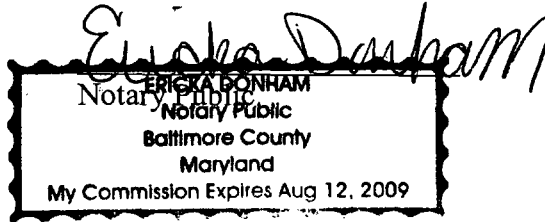
SunTrust Leasing Corporation,
as lessor

By:  _____
Name: Mike Powers
Title: Secretary

STATE OF MARYLAND)
) ss.:
CITY OF TOWSON)

On this ____ day of September, 2006, before me personally appeared Mike Powers, to me personally known, who, by me being duly sworn, says that he is Secretary of SunTrust Leasing Corporation, that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

My commission expires



PROVINCE OF QUEBEC)
) ss.:
DISTRICT OF MONTREAL)

On this ____ day of September, 2006, before me personally appeared John A.N. Lamont, to me personally known, who, by me being duly sworn, says that he is Sr. Manager, Asset Finance of Grand Trunk Western Railroad Incorporated that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act of said corporation.

Attorney

Bar Number: 188726-2